

**SPECIAL SESSION**  
**April 24, 2003**

The Board of Supervisors of Maricopa County, Arizona convened in Special Session at 9:00 a.m. April 24, 2003, in the Tom Sullivan Conference Room, 301 W. Jefferson, Phoenix, Arizona, with the following members present: Fulton Brock, Chairman; Andy Kunasek, Vice Chairman (entered late); Don Stapley (entered late), Max W. Wilson, and Mary Rose Wilcox. Also present: Norma Risch, Deputy Clerk of the Board; Shirley Million, Administrative Coordinator; David Smith, County Administrative Officer; and Paul Golab, Deputy County Attorney. Votes of the Members will be recorded as follows: (aye-no-absent-abstain).

**LIQUOR LICENSE APPLICATION**

No protests having been received and no speakers coming forth at the Chairman's call, motion was made by Supervisor Wilcox and seconded by Supervisor Wilson, to recommend approval of the following Special Event liquor license application:

Filed by David L. McCusker: White Tanks Rotary Club:  
Saturday, April 26, 2003, 12:00 noon to midnight, at area 3 of the White Tanks Regional Park.  
(F23105)

Motion carried by majority vote (2-1-2) with Supervisors Wilson and Wilcox voting "aye" and Supervisor Brock voting "no."

**DISCUSSION OF RECOMMENDATIONS FROM CITIZEN'S TASK FORCE ON COUNTY HEALTH CARE SYSTEM AND GENERAL LEGISLATIVE UPDATE.**

Sandi Wilson, Deputy County Administrator  
Mark Hillard, Maricopa Integrated Health Systems  
Chris Keller, Chief Counsel, Division of County Counsel  
Diane Sikokis, Director, Government Relations  
Bill Sims, Outside Counsel  
Rory Hays, Lobbyist  
Doug Cole, Lobbyist

Chris Keller distributed several handouts including a new draft of the proposed legislation. He reported that a committee had been meeting with AHCCCS (Arizona Health Care Cost Containment System) regarding the Dispro Funds (Disproportionate Share Funds – Dispro or DSH Funds) and that there are several legal issues embedded in the new legislation that need to be discussed with the Board.

**~ Supervisor Kunasek entered the meeting ~**

Mr. Keller referenced "two versions" of the Dispro issue with regards to the flow of Dispro Funds on Page 7 of the handout on Special Taxing Districts, the "County Option Preference" and the "State (AHCCCS) Option Preference". The County's preferred wording is "withdraw from the monies of the district on deposit with the County Treasurer and transfer to the State Treasurer." The State's preferred wording is "withdraw from the monies of the district on deposit with the county treasurer and transfer to the County General Fund" and from thence to the State Treasurer. Essentially, the State's preference keeps the County active in filtering the federal funds back to the State. Mr. Keller explained that the State's version would leave the County/District more exposed than the other version. (He suggested the legal aspects of this be discussed more fully in an Executive Session.)

**~ Supervisor Stapley entered the meeting ~**

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Bill Sims referenced a handout of a flow chart prepared by Office of Management and Budget's Chris Bradley that showed the current flow of funds, the flow using the County's wording and the flow using the State's preferred wording. He said that under Dispro law the funds have to go to the operating entity providing the services (MIHS). In all three versions the net benefit to the County/District is supposed to be \$4.2 million but Mr. Sims indicated that Mark Hillard, Director of Maricopa Integrated Health Services, (MIHS) would point out that the funds actually end up at the State. \$78 million is transferred back to the State General Fund in each version, either from the District or from the County General Fund. In the "State's version" the \$78 million goes from the Feds to MIHS to the District to the County and then the State withholds the \$78 million from County Shared Revenue. He said that the State wants "to keep a firewall between their tax withhold and the Dispro payments and they believe the firewall exists right above the Maricopa County line." Hence, they do not want the money transfer to be from the District directly to the State Treasurer.

**RECESS TO EXECUTIVE SESSION**

Pursuant to A.R.S. §38-431.03(A)(3), motion was made by Supervisor Wilcox, seconded by Supervisor Wilson, and unanimously carried (5-0) to recess into an Executive Session for the purpose of obtaining legal advice from the Board's legal counsel on this matter.

**MEETING ADJOURNED**

There being no further business to come before the Board, the meeting was adjourned.

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Fulton Brock, Chairman of the Board

ATTEST:

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Norma Risch, Deputy Clerk of the Board